

Local Government, Housing and Planning Committee
Tuesday 16 December 2025
33rd Meeting, 2025 (Session 6)

Scrutiny of the draft Climate Change Plan (CCP)

Introduction

1. At this meeting the Committee will continue its scrutiny of the draft Climate Change Plan (CCP) and hear from two panels of witnesses. The first will focus on the implications for and views of local authorities, and the second will focus on the advice and guidance available to the public, and on the skills and training required to deliver the CCP's ambitions.
2. The Annexe to this paper provides detailed background information on the relevant aspects of the CCP.

Background

3. The [Scottish Government's draft Climate Change Plan 2026-2040](#) was published on the 6 November, and must be laid in draft in the Scottish Parliament for 120 days. During this time committees may scrutinise and publish reports on the draft CCP, and the Chamber may debate or consider motions on it.
4. In July 2023, the Committee [responded](#) to an invitation to participate in collaborative scrutiny of the CCP from the Convener of the NZET Committee. It confirmed it would consider the buildings chapter of the plan, as well as considering the plan through the lens of local authority delivery. A number of other Parliamentary committees will also be scrutinising elements of the Plan which are relevant to their remits.

Committee scrutiny

5. At its [meeting on 18 November 2025](#), the Local Government, Housing and Planning Committee held a round table evidence session on the CCP. Members also met online for a private discussion with a number of individuals about their experiences of retrofitting their homes. [A report summarising the discussions at that meeting is available on the Committee's webpages.](#)
6. At this meeting the Committee will hear evidence from two panels of witnesses representing the organisations listed below. Included are links to submissions made prior to the meeting, where relevant:

Panel 1:

- COSLA
- Scottish Climate Intelligence Services (SCIS)
- Sustainable Scotland Network (SSN)
- SOLACE (Solace of Local Authority Chief Executives)

Panel 2:

- [Construction Industry Training Board \(CITB\)](#)
- [Chartered Institute of Architectural Technologists \(CIAT\)](#)
- [Existing Homes Alliance](#)
- [BE-ST \(Built Environment - Smarter Transformation\)](#)
- [Energy Savings Trust](#)

Background briefing

7. Annexe A provides more detailed background on the following:

Section 1: The CCP

- Background to the Climate Change Plan
- Carbon budgets
- The Net Zero, Energy and Transport Committee's call for views

Section 2: The role of local authorities

Section 3: The Buildings (residential and public) section of the CCP

- The proposed Heat in Building Bill
- Timeline of key developments
- The assessment of emissions reductions
- Local authorities and the 'buildings' element of the CCP
- Buildings – advice/support, and skills/training

Section 4: Summary of submissions received

Next steps

8. At future meetings the Committee will hear evidence from the Cabinet Secretary for Housing and the Cabinet Secretary for Finance and Local Government.
9. The Committee will report on its conclusions early in 2026.

Clerks to the Committee
December 2025

Annexe A



Scrutiny of the Draft Climate Change Plan: 2026-2040

Section 1: The CCP

Climate Change Plan background

The Climate Change Plan (CCP) is a strategy document which outlines how the Scottish Government intends to meet emissions reduction targets across all portfolio areas and sectors of the economy.

The parliamentary process for laying and scrutinising a draft climate change plan is contained in three pieces of legislation - the [Climate Change \(Scotland\) Act 2009](#), the [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2019](#) and the [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2024](#).

The last full CCP was in 2018, [the last CCP “update” in 2020](#) was non-statutory. The Scottish Government published a [draft CCP on the 6 November 2025](#). Publication of this draft CCP has been delayed. The [Bute House Agreement](#) had committed the Scottish Government to publish a draft by the end of November 2023. However, this was postponed, with [the Scottish Government citing changes to the UK Government’s net zero policies and uncertain economic conditions](#).

Plans to lay a draft CCP in autumn 2024, as effectively required under the legislation then in force, were also postponed, in the light of the Scottish Government accepting the [Climate Change Committee’s verdict](#) that achieving the 2030 interim target to reduce emissions by 75% was no longer credible. The 2024 Act set out a revised process for setting targets (through carbon budgets) and the timetabling of the corresponding climate change plans that, in effect, pushed the laying date back.

Carbon Budgets and Scottish Government statement

The CCP sets out the proposals and policies for meeting the emissions reductions targets. These targets are set out in [‘carbon budget’ regulations](#) made in 2025.

These are limits on the amount of greenhouse gas which can legally be emitted over a given time. Not exceeding a carbon budget is a “Scottish carbon budget target.” The five-year carbon budget targets aim to reduce emissions by:

- 57% lower than baseline levels for 2026-2030,
- 69% lower than baseline levels for 2031-2035,
- 80% lower than baseline levels for 2036-2040, and
- 94% lower than baseline levels for 2041-2045

Alongside the carbon budget regulations, the Scottish Government [must publish a statement which must include](#), in indicative terms, the proposals and policies that will be in the next CCP.

This CCP covers the period 2026-2040. The government's ambition is that Scotland will be "net zero" in carbon emissions by 2045. Net Zero is the point when emissions entering the atmosphere are balanced by removals out of the atmosphere. In doing so, it will seek to meet reduction targets for this period, [based, on advice from the independent Climate Change Committee \(CCC\) published in May 2025.](#)

What must the CCP include?

The legislation requires that the CCP must include:

- Scottish Ministers' proposals and policies for meeting the emissions reduction targets during the plan period (see below for more on targets), broken down across seven sectors (energy supply, transport (including international aviation and shipping), business and industrial process, residential and public (in relation to buildings in those sectors), waste management, land use, land use change and forestry, and agriculture);
- the respective contributions (in measurable terms) towards meeting the emissions reduction targets that should be made by each of the seven sectors and each group of associated policies set out in the plan;
- an estimate of the costs and benefits associated with the policies set out in the plan;
- the timescales over which the proposals and policies will take effect;
- the incorporation of the principles of just transition and climate justice;
- demonstration of how the implementation of the plan will contribute to sustainable development; and
- an assessment of the progress towards implementing proposals and policies set out the immediately preceding plan.

Scottish Parliament Call for views on Climate Change Plan

The Net Zero, Energy and Transport Committee issued a call for views to inform parliamentary scrutiny of the Climate Change Plan. The call for views closed on 19 September 2025 ahead of the introduction of the plan.

[Individual published responses are available online](#) and a [summary of responses by SPICe has been published](#) including a summary of those commenting on the [buildings topic](#). The [non-sector specific summary](#) also has relevant points related to local developments.

Section 2: Role of local authorities

The first panel of witnesses at this meeting will focus on local authorities and the draft CCP. Local authorities have a crucial role in climate change. As [Audit Scotland](#) states:

“The role that councils have to play in addressing climate change is critical if Scotland is to meet its climate change targets. This is both in terms of how they manage their own activities, estates and assets, as well as the strong leadership needed to tackle climate change across the whole of their local areas. Collaboration between key partners and the communities councils serve will be essential.”

[There are also several pieces of legislation that place specific climate change duties on listed public sector bodies, including local authorities.](#) For example, the Climate Change (Scotland) Act 2009, requires that councils must act in the way best calculated to contribute to the delivery of Scotland’s national emissions reduction targets.

Local authorities must also prepare local heat and energy efficiency strategies (LHEES) which include identification of strategic heat decarbonisation zones. [Many local authorities have also declared their own net zero emission targets.](#)

A recurring theme from evidence (including the [Net Zero, Energy and Transport Committee’s inquiry into the role of local government and its cross-sectoral partners](#) in financing and delivering a net-zero Scotland, the [responses to its call for views on the forthcoming CCP on cross sectoral issues](#) and [research from the ClimateXChange](#), published in 2024) has been around:

- the need for clarity on local authorities’ roles and responsibilities;
- the need for specialist skills within local authorities; and
- the need of more flexible, multi-year funding.

The draft CCP does not contain a specific chapter on local authorities but there are numerous references to it throughout the draft plan. The draft plan (at Page 8) notes that:

“Public sector action will be vital in allowing Scotland to meet the aims of this Plan and achieve net zero.... However, we also understand the challenges facing the public sector in helping to deliver the policies in this Plan.”

“To that end, we will work with and support public bodies – including Local Authorities – through:

- the **Climate Delivery Framework**, a group co-chaired by the Scottish Government and COSLA, which supports the joint shaping of key climate change policies and implementation at the national, regional and local level,

- the **Sustainable Scotland Network**, which supports the public sector to drive action on climate change, through: building and showcasing leadership on climate change; peer-to-peer knowledge exchange and support; capacity building; and development of case studies, tools and resources,
- **forthcoming revised statutory guidance** for public bodies to support them in putting the climate change duties into practice, including a climate change plan template for Local Authorities,
- **sustainable procurement tools**, which provide detailed guidance to public bodies on including social and environmental requirements in contracts, and
- the **Scottish Climate Intelligence Service**, funded jointly by the Scottish Government and all 32 local authorities, which helps local authorities use data to plan, monitor and deliver climate action.”

The plan (at page 10) also notes the importance of the **regional perspective** and that the Scottish Government is “working with local government, regional partners and communities to ensure that any negative impacts are addressed, and that new opportunities are seized.” This includes work to support the places where the transition presents the most significant, concentrated impacts: the North East of Scotland and Grangemouth. Its approach also seeks to recognise the particular implications that the transition has for rural and island communities.

The role of councils in other sectors of the draft CCP is not always specifically highlighted in the document. However, in some areas responsibility for delivering the measures generally lies with local authorities.

For example, the Scottish Government’s approach to **transport** decarbonisation set out in the draft CCP is largely focused on two key areas:

- Encouraging and incentivising the rapid uptake of electric vehicles, as replacements for existing petrol and diesel vehicles, with a goal of all vehicles on the road being zero emission by 2040.
- Reducing private car use by a combination of policy ‘carrots’, that is improving alternatives to car use such as walking, cycling, and public transport, and policy ‘sticks’, physical or fiscal approaches which make car use less attractive, such as road space reallocation to buses, cyclists, and pedestrians.

Local authority roles in delivering these goals include:

- Local management of plans and public sector funding for the development of public electric vehicle charging infrastructure.
- Management of the local road network.
- Powers to instigate bus service improvement partnerships or local bus service franchising schemes.

- The creation of bus lanes, bus gates, and cycle lanes on local roads.
- The subsidy of bus routes that cannot be provided on a commercial basis.
- The development and implementation of low emission zones, workplace parking levies, road user charging schemes, and on-street parking management.

In relation to **energy supply** (comprised of electricity generation and fuel supply), the draft CCP sets out a vision that by 2035, the renewable capacity will have expanded significantly to meet the increasing demand as other sectors decarbonise and that, “We will be less reliant on imported fuels and global fossil fuel markets; strengthen our energy independence and security; and produce the power we need to meet increasing demand for clean electricity as we decarbonise heat and transport.”

This means the need for growth in renewables capacity, including from offshore and onshore wind, and solar. The draft CCP commits the Scottish Government to working with local authorities, public sector organisations and COSLA to achieve a decarbonised energy supply system.

In relation to emissions from **waste** (comprised mainly of landfill emissions and a smaller amount of emissions from composting, anaerobic digestion and water treatment), emissions reductions in the draft CCP are projected to come from reducing waste sent to landfill (including by diverting it to Energy from Waste), increasing recycling and increasing landfill gas capture.

Local authorities have statutory obligations to provide waste collection and disposal services, and are likely to be involved in implementing, or impacted by, waste policies including:

- The forthcoming **ban on biodegradable municipal waste (BMW) going to landfill** (meaning local authorities have needed to secure alternative waste disposal capacity for BMW, in particular via Energy from Waste, or otherwise divert BMW from landfill e.g. by reducing overall waste levels and increasing recycling)
- Introduction of a **new statutory Code of Practice and statutory local recycling and reuse targets** for household waste (implementing [the Circular Economy \(Scotland\) Act 2024](#)), and participating in ‘co-design’ of the Code – which could have significant implications for local approaches to household waste collection and provision of recycling services and infrastructure.
- Developing actions to **reduce household food waste**.
- Developing **public procurement opportunities** to reduce the environmental impact of public spending.
- The forthcoming **Deposit Return Scheme** and reforms to **extended producer responsibility schemes** e.g. for packaging (which could impact on local authority recycling and waste management schemes)

- Maximising **landfill gas capture** opportunities.

The [Local Government, Housing and Planning Committee wrote to all local authorities on 14 November 2025](#) seeking views on aspects related to the buildings chapter (see further below) and also for broader views on the CCP and the role that local authorities will have in meeting the Scottish Government's emissions reduction targets.

[Ten councils responded](#), most of these did not provide broader views indicating they were still considering the implications of the plan.

The [City of Edinburgh Council's response](#) provides further comments around funding, communications and guidance. For example, the Council welcomes the commitment to multi-year funding for sustainable transport but argues that all major infrastructure needs a multi-year approach in order to delivery at scale. Flexible funding is also required to support adapting to climate change and placemaking.

On communications, the council also argues that there should be a move towards a more place based approach, supporting local authorities, community groups and regions to create and share content to their locality. A specific point was also made about the need for councils to have clearer guidance from the Scottish Government in their role in supporting the delivery of the car mileage reduction target that is set out in the draft plan.

Section 3: Buildings (Residential and Public)

The second panel focuses on the role of advice and support for the public and the skills and training needed to deliver the draft CPP's building outcomes.

The CCP models a 60% reduction in emission is the residential and public building sector between 2025-40. The primary driver of emissions reductions is the transition from fossil fuels to clean heat sources in residential buildings. As the CCP notes:

“...a transformational change to the way in which we heat out residential and public buildings is essential to meet out net zero target”. Emissions from buildings, primarily accounts for the 15% of Scotland's greenhouse gas emissions. The heat transition will require around 1.9 million homes and 13,000 public buildings to move to clean heating outcomes such as heat pumps and heat networks by 2045”.

The draft CCP lists three outcomes:

- **Heat in Buildings Outcome 1:** The heat supply to our homes and non-domestic buildings is very substantially decarbonised, with high penetration rates of renewable and zero emissions heating.
- **Heat in Buildings Outcome 2:** Our homes and buildings are highly energy efficient, with all buildings upgraded where it is appropriate to do so, and new buildings achieving ultra-high levels of fabric efficiency.
- **Heat in Buildings Outcome 3:** The heat transition is fair, leaving no-one behind and stimulates employment opportunities as part of the green recovery.

The key policy drivers to meet these outcomes can be summarised as:

- **A target for decarbonising heating systems by 2045** (this is proposed for future legislation - see below): the Scottish Government will also prepare a heat decarbonisation strategy by the end of 2026, setting out the actions that Ministers intend or consider should be taken to ensure that the decarbonisation target is met. The [New Build Heat Standard](#) already requires new homes to install clean heating systems.
- **Financial support for energy efficiency:** to enable progress towards decarbonisation goal while reducing fuel poverty, by providing advice and financial support for energy efficiency (see further on this in below);
- **Heat networks:** developing plans to boost heat networks by requiring certain properties to change from fossil fuel heating systems when a heat network is available. This is proposed in future legislation (see below);
- **Heat in Buildings Programme:** continue to deliver a programme of support schemes and advice services which are designed to support a wide range of groups to decarbonise heat in buildings (see further on this below).

Further detail on the policies is provided in [Annex 2](#) and [Annex 3](#) of the draft plan. Note that non-domestic buildings are covered in the business and industry section. The key policies to drive down emissions in non-domestic buildings are similar to the residential and public buildings chapter i.e. the target for decarbonising heating systems by 2045 and support for heat networks.

Underlying the policies is a focus on a technology neutral approach (i.e. not just relying on heat pumps) and a commitment to reducing fuel poverty.

The draft CCP ([at page 12 of Annex 2](#)) recognises that progress towards the targets will require action from others, including, local authorities, industry and business, individuals and households and the UK Government. In particular, the plan notes the need for the UK Government to take urgent action on energy markets to reduce the cost of electricity and significantly reduce the running costs of clean heating systems (see page 19).

Heat in Buildings Bill

The CCP does not make any reference to a specific bill on heat in buildings, which was included in both the Scottish Government's May [Programme for Government](#) and its June [statement accompanying the carbon budget regulations](#).

On 18 November 2025, the Cabinet Secretary for Housing [confirmed in a statement](#) that the bill would be paused, citing a delay with the UK Government's Warm Homes Plan. Instead, the Scottish Government published a [draft Buildings \(Heating and Energy Performance\) and Heat Networks \(Scotland\) Bill](#) and it indicated that it would engage with stakeholders on the draft Bill during this Parliamentary session.

There are three main parts to the Bill:

- Part 1 sets a target for decarbonising heating systems by the end of the year 2045.
- Part 2 allows the Scottish Ministers to make regulations to set minimum energy performance standards for buildings in which direct emission heating systems are used, and to provide for the assessment and improvement of the energy performance of those buildings.
- Part 3 relates to heat networks (as defined the Heat Networks (Scotland) Act 2021). In particular, it gives the Scottish Ministers regulation-making powers to set up a new licensing regime for heat network zones, and for granting certain rights and powers over land in connection with the installation and maintenance of heat networks.

Essentially the bill provides a framework with further details set out in regulations and strategies. This means, for example, it is not possible to say what the government expectations are about any future minimum energy efficiency standards (MEES) that owner occupiers with direct emission heating systems may have to meet. On the other hand, the Scottish Government has been clearer about MEES for private landlords, with a consultation proposing meet the EPC. The Government intends to introduce regulations in the new year for this to take effect in 2028.

The Scottish Government [indicated in its statement in April 2025](#), that earlier plans to require new homeowners to install a clean heating system at some point after purchase will no longer be taken forward. [The then Acting Minister for Climate Action, Alasdair Allan, indicated that this decision](#) was taken to respond to the concerns raised during consultation including “the risk of exacerbating fuel poverty and burdening every individual householder with an overly onerous responsibility as we decarbonise”.

Timeline of key developments

The timeline of key developments is summarised in a [Routemap](#). The EPC regulations have already been approved by parliament while the other dates assume the relevant legislation is introduced and approved in the next parliamentary session.

- (2026) New EPC regulations come into force (subject to parliamentary approval).
- (2026) Heat in Buildings Strategy and Delivery Plan published.
- (2026) New heat networks consumer standards begin.
- (2026) New heat networks technical standards introduced.
- (2028) New heat network zone regulations may require certain buildings within heat networks zones to connect to heat networks.
- (2028) New minimum energy efficiency standard planned for existing PRS lets (subject to consultation outcome).
- (2033) New minimum energy efficiency standard planned for existing PRS lets (subject to consultation outcome)

Assessment of emissions reductions and costs and monitoring framework

Annex 3 of the CCP provides an assessment of emissions and costs broken down by residential and non-residential buildings.

The current Residential CCP policy package is expected to have an additional cost of around £1.8 billion from 2026 to 2040, noting that delivery of the target is only costed to 2030 given the need for greater certainty based on outcome of existing SG policy, technology development and UKG policy decisions.

The current Public Buildings Decarbonisation CCP policy package is expected to have an additional cost of around £702 million from 2026 to 2040. Delivery of the target is only costed to 2030 given the need for greater certainty based on outcome of existing Scottish Government policy, technology development and UKG policy decisions. It is assumed that most of these costs will be borne by the Scottish Government, with significant costs also falling on local authorities.

Local authorities and buildings

In relation to **buildings**, local authorities have key roles and the draft CCP calls on them to:

- “build on LHEES to coordinate and sponsor development of place-based projects, seeking out opportunities to aggregate projects into programmes,
- explore opportunities for developing heat networks alongside industry partners, including providing anchor loads by committing to connect local authority buildings,
- collaborate across neighbouring authorities to join up on heat plans at an appropriate spatial level, while agreeing planning projects to prioritise,
- partner with community-focused organisations – such as Local Energy Scotland, and retrofit delivery providers such as Home Energy Scotland – to align efforts in reaching local goals and engaging effectively with communities, and
- continue to deliver energy efficiency and clean heat projects across the social housing stock under local authority ownership.”

On 14 November 2025, the Committee wrote to all local authorities seeking views on the above points and whether they have sufficient capacity and resources in order to deliver these and for any other broader views on the draft CCP.

As at 10 December 2025, [ten responses had been received](#). Some of the key themes from these responses include:

- Lack of staff capacity to fully deliver on LHEES and other climate change policies. There is a need for dedicated programme management to scale up activity.
- Lack of finance and investment to scale up activity. Scottish Government funding is not always suitable for this with fixed, short timeframes. Long term planning and multi-year financing is essential.
- Supportive of cross boundary collaboration on heat plans, but this requires coordination, shared governance, council resource and expertise. Midlothian Council, for example, highlighted its joint venture Midlothian Energy Ltd which provides district heating at the Shawfair development, and in the future potentially more widely in collaboration with other authorities. As one council stated, “Larger-scale heat planning is better suited to organisations such as the National Energy System Operator and distribution network operators, who can lead regional strategic energy planning, drawing on LHEES data. To enable meaningful collaboration between neighbouring authorities, further development of shared procurement mechanisms would also be essential”.
- Identifying and securing large enough anchor loads is a key requirement to ensure cost benefit proportionality for a heat network. This needs better

collaboration and partnership working across public services such as local authorities, NHS, Police Scotland and Scottish Fire & Rescue Service. Fabric upgrades to building might also be required.

- Budgetary pressures are leading to authorities rationalising their estates, meaning that they will not risk investing in heat networks for assets which may be sold in the future.
- There is a need for regulatory incentives to remove gas boilers and mandatory connections to heat networks for non-domestic buildings. This is necessary to ensure heat networks are financially viable from an investor's perspective.
- A substantial part of the challenge lies with private owners of domestic and non-domestic properties. There is a need for funding models which support measures to mixed tenure housing and consistency of standards across different housing tenures.
- There could be greater integration between Home Energy Scotland and local community groups. South Lanarkshire Council has engaged a service provider to pilot a one-stop shop energy advice and retrofit services, funded by the UK Shared Prosperity Fund. It suggests that in the future local retrofit agencies could be funded by the Scottish Government.
- Councils are investing in retrofitting their own housing stock but there is a lack of clarity on the detail of the new Social Housing Net Zero Standard. Councils have the challenge of building new homes whilst improving current stock and keeping rents affordable for tenants.

Buildings - Advice and support, skills and training

The second panel of witnesses at this meeting will focus on the role of advice and support for the public and the skills and training needed to deliver the draft CCP's building outcomes.

The Scottish Government supports schemes to provide advice and funding through grants and loans to homes and businesses to install energy efficiency measures and clean heating systems, including targeted support for those in or at risk of fuel poverty. It has allocated £1.67 billion of funding through heat in buildings schemes, including a committed spend of more than £840 million for energy efficiency and clean heat projects.

These schemes include, for example:

- Home Energy Scotland (HES) Advice Service – a domestic advice service that acts as a single point of access for free, impartial advice on energy efficiency, renewable heating and fuel poverty support.
- HES Grant and Loan – to support all owner-occupied domestic households in Scotland. It provides up to £7,500 as a grant and £7,500 as an interest free loan for the installation of a heat pump as well as funding for energy efficiency

measures. Additionally, an uplift of £1,500 is available for rural and island homes.

- Area Based Schemes (ABS) – local schemes which are designed and delivered by councils, often with utility companies and other local partners such as Housing Associations. ABS funding helps property owners meet most or all of the costs of providing energy efficiency measures to households in or at risk of fuel poverty.
- Warmer Homes Scotland (WHS) –national fuel poverty scheme, designed to help those living in fuel poverty or at risk of fuel poverty through installing insulation and heating measures into individual properties

The issue of **public engagement, advice and support for consumers** has been raised in the [Net Zero Committee's call for views](#), and in the previous committee meeting on [18 November 2025](#).

Members also have engaged with individual members of the public during the Committee's [online lived experience event on 18 November 2025](#). The Net Zero, Energy and Transport Committee also held a [People's Panel on public engagement with climate change and Net Zero](#) in 2024.

This evidence suggests that the current position provides a base on which to build on. However, there appears to be a consensus that more could be done to raise consumer awareness of the climate change agenda and that the current advice and funding schemes could be improved. For example, points made included that:

- Consumers need clear direction, information and communication on what action they can take to decarbonise their homes. Communication needs to be adapted to different demographics. Finding sources of advice can be difficult or confusing, and means that people reach a dead-end quickly in trying to retrofit their homes
- There is a need for a public engagement strategy that is orchestrated across different levels of government and advice needs to be independent of manufacturers/suppliers with proper consumer protections in place for the work that needs to be done.
- There is a need to emphasise the value of engaging with a citizenship identity and citizens' responsibility to be part of the net zero transition. People need to understand the benefits of making changes to their homes as change is generally seen as an unnecessary expense.
- The individual consumer journey through the HES grant and loan scheme needs to be smoother. Current systems are not very user friendly. There needs to be improvements made in enabling the general public to access loan/grant applications via support from existing organisations like climate hubs.
- There can be a lack of clarity about what funding is available, why some changes to buildings are not supported (e.g. air to air heat pumps) and the

detailed criteria of the funding, for example, the requirement for 100% of heating to be delivered by a heat pump in order to be eligible for the grant).

- HES can be a good starting point for information, but installers can be a more useful source of support for more detailed information. The transition from inception to installation a much easier and more seamless process.
- Substantial funding is required to support retrofitting and clean heating transitions. A range of solutions, including VAT exemptions and tax incentives, government grants, low-interest loans, green mortgages and multi-year funding schemes were suggested to support engagement by individuals, local authorities and the private sector.
- There needs to be increased investment in and awareness of affordable climate friendly technology for people in lower income households, so that people in lower income households are empowered to take changes that are more suitable for them

The draft CCP states that the Scottish Government will continue to provide advice and support but that the cost of the clean heat transition will be a shared endeavour. It will therefore work with lenders to foster market conditions that support a wider range of private lending products.

There is little further specific detail in the draft CCP about how the advice and funding programmes might evolve. The Scottish Government has also still to respond to the second report of the Green Heat Taskforce which focuses on clean heat and energy efficiency financing options for place-based delivery, heat networks and social housing retrofit. The [2025-26 Programme for Government](#) committed the Scottish Government to:

“Improving our public-facing schemes, by simplifying the application process and ensuring that Home Energy Scotland is recognised as a single access point – streamlining the process and making it easier for households to access support.”

After publication of the draft CCP, [the Cabinet Secretary’s statement of 18 November indicated](#) that grant support for homeowners to enable connections to heat networks through the grant and loan scheme would be available (previously only loan support was available).

In 2023, the Scottish Government published a [Heat transition: public engagement strategic framework](#) to guide its engagement work around clean heat and energy efficiency. In the Programme for Government in 2021 the Scottish Government also announced plans for a new National Public Energy Agency (Heat and Energy Efficiency Scotland). [HEES has been operating in virtual form](#) within the Energy and Climate Change Directorate since October 2022. The draft CPP does not appear to explicitly reference HEES.

On **skills and workforce development**, [several respondents to the Net Zero Committee’s call for views](#) highlighted the need to build the retrofit workforce and improve installer training. Respondents placed an emphasis on technical education and vocational training to build a retrofit workforce. This includes:

- Retrofit assessors and coordinators.
- Heat pump installers.
- Skilled trades in insulation and ventilation.

Responses also highlighted the importance of:

- Certification schemes, to ensure quality and trust.
- Competency frameworks, for installers and assessors.
- Standardised retrofit methodologies, to avoid poor outcomes.

Similarly, during its meeting of 18 November, the Committee heard from the witnesses about the need to address some issues in the apprenticeship delivery system; skills funding needs to include wider landscape (i.e. not just heat pumps) and issues about contractor availability in rural areas. Witnesses also noted that economic opportunity to create high quality jobs.

Within the draft CCP Buildings (residential and public) section the Scottish Government acknowledges the importance of investment to upskill the current workforce and attract new entrants to the sector and it is aware that installers need confidence in local demand for clean heat systems before investing in upskilling their workforce.

The draft CCP states that the Scottish Government will work closely with installers, industry and training providers to develop skills and training offering which builds on existing support like the Great Heat Installer Engagement Programme. It states that its “future training offer will be summarised alongside delivery options in our new Heat in Buildings Strategy.”

Section 4: Submissions received from stakeholders

Organisations providing evidence on the second evidence panel submitted written submissions direct to the Committee.

Construction Industry Training Board (CITB)

The written submission from the [Construction Industry Training Board](#) notes the significant scale of challenge to decarbonise Scotland's buildings, requiring a:

“...rapid and lasting transformation of the construction sector, including:

- an industry wide investment in skills
- a far-reaching skills policy reform and
- and an unprecedented recruitment and upskilling”

The CITB outlines skills gaps that need to be addressed including retrofit, understanding of how the building works as a whole system, how the range of low carbon technologies work and knowledge of traditional buildings built prior to 1919.

Other points it makes includes the need for the Scottish Government to stimulate market demand and reform of the post-school education and skills delivery landscape. It recommends that more investment is needed in Modern Apprenticeships, together with new pathways for entrants and existing workforce to upskill.

CITB suggests that the final CCP must have an emphasis on how reductions in heat in buildings will be delivered, including timescales, priorities and funding available.

Chartered Institute of Architectural Technologists

The submission from the [Chartered Institute of Architectural Technologists](#) (CIAT) makes a range of points on the skills and workforce, skills and technologies, construction waste and resilience for climate change.

CIAT notes that the CCP significantly underestimates the workforce that will be required. It is critical of the lack of reference to skills in the draft CPP and points out that the document does not state the planned additional investment required by the Scottish Government to support the necessary growth in skilled workforce.

It also highlights that construction waste accounts for 50% of all waste to landfill, which could be reduced through considering waste at the design phase of new-builds, and the use of methods such as off-site construction.

CITB also notes that the CCP doesn't include sufficient mention of the climate readiness and adaptation of buildings which is required in order for Scotland's existing and future infrastructure to cope with climate changes.

The CITB makes a range of recommendations including that:

- The Scottish Government should provide a holistic ring-fenced pipeline of investment funding to support the “green economy skills transition”.

- To support the skills pipeline Scottish Government should offer “Skills Framework Funding Programmes” of 3-4 years to leverage existing industry training infrastructures, align government investment to its priorities and accelerate the required workforce growth and needs.
- A greater focus on compliance and enforcement will be required to avoid repeating previous failures (such as with external wall insulation)

Existing Homes Alliance

The [Existing Homes Alliance's submission](#) to the Committee notes that the proposed regulations in the draft CCP are not sufficient to drive the pace and scale of activity required to decarbonise heating in most homes by 2045. It makes some specific recommendations, including:

- Creating minimum energy efficiency standards for all homes.
- Scaling up the advice and support available to households, and strengthening Home Energy Scotland to enable it to signpost homeowners to trusted one-stop-shops or retrofit agencies (eg Eco Cosi, Loco Home Retrofit). Creating a pipeline of demand would enable those services to grow.
- Ensuring that fuel poverty is at the heart of the CCP, with a commitment to fully fund costs of efficient/clean heating for households in fuel poverty. Scottish Government could scale up Warmer Homes Scotland and Area Based Schemes.
- The CCP should demonstrate new mechanisms of financial support, such as pilot property-linked finance and exploring how land and buildings transaction tax and council tax could be used to incentivise improvements.
- An awareness raising campaign is needed to make homeowners aware of ‘moments of change’ opportunities to change heating, such as encouraging people to switch at point of boiler replacement.
- Support for SMEs and micro-businesses to upskill and retrain. The Installers Skills Matrix could be mandatory instead of recommended. Subsidies needed for training and apprenticeships.

BE-ST (Built Environment - Smarter Transformation)

[BE-ST](#) highlights the economic opportunity for Scotland, with a potential retrofit market of £9.8bn in social housing and private rented sector, and £20.05bn in the owner-occupied sector. Its submission to the Committee notes a number of issues:

- Scottish Government needs to adopt a holistic retrofit approach including repair/maintenance, building fabric, building condition, and climate resilience – not just heat decarbonisation.
- The construction sector needs leadership to build trust and create demand, with a strong pipeline giving organisations the confidence to invest in skills

training and business growth. The current disaggregated 'home by home' approach to retrofit is not driving the speed or scale needed.

- A national coordinated skills strategy is needed. (BE-ST queries what happened to the Climate Emergency Skills Action Plan which was intended to run from 2020-2025.)
- There is also the need to unlock finance. Grants are needed for fabric/clean-heat measures; interest-free loans; energy-efficiency linked mortgage products; VAT reform; feed-in-tariff-style incentives
- A National Existing Buildings Database would allow evidence-based planning of retrofit pathways, etc. This would enable creation of an Aggregated Demand Model – a tool to identify where retrofit can be coordinated and delivered at scale, support planning by archetype, reduce per-unit costs, and provide pipeline of work.
- There is an opportunity to leverage local and sustainable products, such as Scotland's timber industry.

Energy Savings Trust

The [Energy Savings Trust's submission](#) highlights a lack of understanding about what people can do to reduce their impact on the environment, and there is low public knowledge of energy efficiency and low carbon technologies. Misinformation and negative stories are common.

The Scottish Government needs to provide policy certainty with clear, long-term plans and funding commitments for retrofit programmes. Uncertainty about future demand is holding back supply chain investment.

A significant increase in workforce capacity is needed, particularly in remote/rural areas. There also needs to be support to streamline the upskilling and retraining of the workforce, such as introducing faster training routes than 4 year modern apprenticeships (eg conversion courses).

Financial support should be made available for people re-skilling, and retrofit careers need to be promoted widely. SMEs should be supported to grow along with local markets, especially in rural areas. The Modern Apprenticeship scheme needs to be expanded into retrofitting, and small and micro businesses supported to take on apprentices.